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ABSTRACT

In the Netherlands, 15 to 17.5 percent of the working age population participated in further education and training for adults in 1985-88. Enterprises, state ministries, and private institutions supply adult education; enterprises, ministries, and sectoral institutions finance it. The Ministry of Education and Sciences provides basic education, part-time general education, vocational education, and higher education. The Ministry of Social Affairs and Employment provides training for information and automation jobs, a framework scheme (in which local authorities subsidize training costs for those certain to be employed), adult education, the dual system, centers for training, and centers at a lower educational level. Private industries offer correspondence courses, nonformal oral education, and enterprise-based training. Enterprises offer training for their own personnel. The government policy concerning adult education is intended to create an open system of education and training. State-endowed institutions can offer training to the private sector, social organizations, and individuals on a self-supporting basis. The Netherlands is promoting a more market-oriented approach to vocational education through involvement of employers and trade unions and contract education. Trends include increased participation of the unemployed and increased government involvement in employee training. Political and economic factors influence adult education provision and participation. (Four appendixes provide statistical information.) (YLB)

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FURTHER EDUCATION AND TRAINING OF THE LABOUR FORCE

Country Report : THE NETHERLANDS

Following the OECD Intergovernmental Conference on Education and the Economy in a Changing Society held in Paris in March 1988, the Organisation -- on the recommendation of its Education Committee and its Manpower and Social Affairs Committee -- initiated new work on the Further Education and Training of the Labour Force.

As part of that new work, a number of Member countries agreed to prepare reports, according to a framework prepared by the Secretariat, that would provide for each of the countries concerned an overview of policies, practices, and institutional arrangements regarding the provision of and participation in further education and training of the labour force. The information made available in these country reports, together with other relevant material, will be brought together in a general report on the subject to be prepared by the Secretariat.

This is the report submitted by the Netherlands authorities.

The Secretary-General of the OECD has agreed to make the report publicly available on his own responsibility.

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FURTHER EDUCATION AND TRAINING OF THE LABOUR FORCE
THE NETHERLANDS

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NATIONAL REPORT ON FURTHER EDUCATION AND TRAINING OF THE LABOUR FORCE: THE NETHERLANDS.

A Working Definition.

In the OECD paper (SME/ET/88.23) further education and training of the labour force is defined in terms of its end purposes as activities aimed at upgrading the skills and competences of workers or to otherwise re-qualify them in order to improve their performance in their present jobs, and/or to raise levels of general educational attainment, particularly among those with low levels of attainment.

Further education and training of the labour force will be defined in this report as education and training activities of the working, unemployed and non-participating potential labour force, both directly and indirectly aiming at improvement of labour market qualifications. We will deal only with post-initial education and training of adults.
We have chosen for a broad definition because of the incompleteness of the data. The available data do not permit to make a clear distinction between training aiming at the improvement of labour market qualifications and training aiming at personality development. Moreover it is not possibly to exclude from the total persons which are not part of the labour force.

Section I. gives a short overview of further education and training of adults.

Section II. describes the nature, capacity, scale, participation and financing of the education and training activities offered by:
A. The Ministry of Education and Sciences
B. The Ministry of Social Affairs and Employment
C. The private training institutions and the enterprises

Section III. will deal with:
D. The financing of further education

Section IV. gives an overview of:
F. The market for further education and training
E. Trends in education of the employed and unemployed
G. The factors which influence provision and participation in further education and training
H. Information on futher education and training.

Section I. Overview of Further Education and Training of Adults

(1) In 1985 17.4% of all adults (16 years and older, not attending full-time initial education) participated in some kind of education or training. Between 1975 and 1980 an increasing trend could be observed in this 'rate of participation'. In 1980-1985 the rate declines somewhat, although the number of participants in training by enterprises still grows.
In 1985-1988 the rate of participation stayed roughly constant at a level of 15 - 17½ %. This means that at one specific moment 15 - 17½ % of the population of the working age participates in some kind of further education and training for adults. In terms of the total population group of 16 years and older, this means that approximatly 2 million persons participate in some form of adult education. It is estimated that 75% of this participation takes place in the private sector.

(2) Adult training may be divided into several types of supplying and financing institutions.
Most important supplying institutions are:
- enterprises, organising courses for their employees
- enterprises, providing training for apprentices
- private training institutions
- education and training activities of the Ministry of Education
- training activities of the Ministry of Social Affairs and Employment

Most important financing institutions are:
- enterprises, paying courses for their employees
- the Ministry of Social Affairs and Employment
- the Ministry of Education
- sectoral institutions, controlled by both employers organizations and trade unions
- the Ministries of Economic Affairs and Agriculture.

(3) The State supply offer may be divided somewhat more as follows:
a) Basic education
b) Part-time general education
c) Vocational education and training at a junior and a senior level.
d) Part-time higher education and post-initial education
e) Training for the unemployed.
Appendix 1. deals with the number of participants in each of these sectors.

(4) At the private supply side a differentiation can be made between private institutions and enterprises offering courses for their own employees. It is estimated that private institutions have annually at least some 450,000 -500,000 participants. Other studies estimate that private institutions have more than a million participants. Because of the incompleteness of the data it is not possibly to give a more exact estimate.
Some 500,000 employees are trained in -mostly big- enterprises themselves.

(5) At the demand side we treat somewhat more extensively the participation of unemployed and employees in training programmes. At an annual base less than 5% of the unemployed take part in labour market training measures (the apprenticeship system not taken into account). This participation is rather well balanced between different target groups (women, minorities), all training instruments considered together.
Specific training measures are laid down in 64 of the 90 collective labour agreements, applying in 1987. They relate to 85% of the employees working under a collective labour agreement in the private sector. The agreements are partly related to (a continuation of) the plans for the intake and vocational training, payment of training, compilation of a training catalogue (a survey of training courses which are regarded as relevant to the particular branch of industry), and the deployment of part of the off duty time (shorter working hours) for training.
One has the impression that the number of agreements increased in 1988/89.
A 1988 labour force survey showed a 'participation rate' of employees at formal training on a year bases of 20.6%. This, however, means that 10.4% of all working people participate annually, as only half of the enterprises have training facilities. It is estimated that 1% of total working time is spent on formal (off- the-job) training, and 2% on on-the-job training.

(6) Generally speaking, the unemployed are less qualified than the labour force or working people. Important differences on this general rule exists, however. The position of primary educated is by far worst and of vocational college graduates best. Up to the level of senior secondary education the level of education defines the chance to find work; at a higher level the type and direction of education is more important than the level only.

(7) With regard to training of the unemployed, employers and trade unions take roughly the following position:

a) training for the unemployed is basically a (financial) responsibility for the government. As training is useless without any idea of trends in future work, the supply of training facilities (as financed by government) is in principle a joint responsibility of governement and industry. The industrial side will try to improve information on trends in job demand, and acknowledge a joint task with government in searching for adequate types of training;
b) the participation of the unemployed in training courses is relatively low and has to be increased;
c) the incentive system for unemployed to attend courses has to be improved.

(8) At a more general level it is stated that training for the employed is a responsibility of the employers. At the same time it is acknowledged that situations are thinkable in which government policy is desirable. These situations are those in which external effects are significant. Furthermore, it is expected that the government will stay responsible for a qualitatively sufficient supply of education and training facilities.

(9) For the employed threatened with unemployment a dual responsibility is acknowledged. The main responsibility is with industry but when the threat is due to a difficult situation in, for example, a whole branche, some governmental assistance is expected and can be very useful and effective. This is especially the case as it is felt that re-training of the still-working might be more effective than training of unemployed.

(10) A new law regarding the employment policy (Arbeidsvoorzieningenwet) has been presented to Parliament. The aim of this law is to share the responsibility on labour supply and demand among the Government, the unions and the employers organizations.
In this law it is stated that adjustment is needed of all relevant partner initiatives, not only with regard to labour exchange in a narrow sense, but also with regard to social economic policy in a broader sense. If this will be the case in future, that would have an enormous impact on the possibilities to train and work for the unemployed too.

(11) In all, training and education is an important issue in Dutch policy discussions. Possibly the increase in private expenditure will slow off in the next years. On the other hand it might be expected that public expenditure will see continuing but moderate increase.

Section II. The nature, capacity and utilisation of arrangements for further education and training of the labour force.

A. Ministry of Education and Sciences.

The education and training activities for adults provided by the Ministry of Education and Sciences are various and can be divided in four sectors:
- basic education
- part-time general education
- vocational education
- higher education

Table 1. Participation in a number of types of adult education, 1986

	Participants (x 1000)	year
Basic education	55.0	1986
Part-time general secondary education	100.5	1986
junior and senior vocational education	254.3	1986
Part-time higher education	91.0	1987
and post-initial education	127.6	1987

Source: Central bureau of statistics.

In order to bring more coherence between the different types of educational activities for adults a legal framework was needed. The so-called Framework Law on Adult Education was approved in Parliament in 1985. Execution of this law depends on an Implementation Law, that is send to Parliament in the summer of 1989.

(1) Basic education.

Basic education or primary education for adults gives adults the opportunity to participate in educational activities which enable them to master the knowledge, attitudes and skills needed for the personal and social functioning in every day life.
The legal basis for basic education is a state regulation which became effective in 1987. Basis education provides the following training activities (preferably in combination):
- language programmes: These programmes are meant to

ameliorate the oral and written use of Dutch, to give a first orientation on English and, for adults of ethnic origin who cannot read or write, to learn their own language in order to learn Dutch;
- calculation programmes;
- social skill programmes.

Local authorities are subsidized by the Ministry of Eduaction in order to have basic education executed. The height of the subsidy depends on the number of adult inhabitants, their educational background and their ethnic origin.
Adults who have not had the chance to obtain the most so-called fundamental skills in their youth are the target group of basiceducation. Other important features of the target group are gender, ethnic origin and long-term unemployment. Of the total number of participants 66% was female and 42% belonged to an ethnic minority.
In 1988 extra facilities were given to basiceducation in order to give long-term unemployed a chance to find a job after having followed special courses in basic education.

(2) Part-time general education.

At the moment part-time junior and senior general secondary education (mavo + havo) and part-time pre-university education (vwo) have a legal basis in the Law on general secondary education.
Part-time general secondary education gives adults the opportunity to get a qualification on a level they were not able to acquire at their initial school-period. Part-time general secondary education therefore has a second-chance function. The certification of part-time genral secondary education is equal to full-time general secondary education.
Adults, however, have their own ideas about needs and demands for education, which cannot be realized in full extent under the present Law on general secondary education. Therefore a new Law on general adult secondary education is in preparation. Next to second chance education, institutes for general secondary adult education will have the possibility to give familiarization courses and transition courses. The supply of educational activities will be tuned to the individual and social demand for education on an regional level.
Part-time junior general secondary education (mavo) admits persons who are not of school age anymore. Part-time senior general secondary education (havo) admits persons with a mavo-certificate. Part-time pre-university education (vwo) admits adults (18 years and older) with a havo-certificate.
The number of participants, especially women, in part-time general secondary education has shown a downward tendency. The decrease is caused by a rise of the course fees and a certain satisfaction with regard to second-chance education.
There is a clear distinction between the average mavo-

participant on the one hand en the average havo/vwo-participant on the other. The mavo attracts especially female participants, between 30 and 40 years of age, who have a small labour market orientation and who does not aim at certification. Dominant motive for these participants is to increase knowledge, like general knowledge and knowledge of foreign languages.
Havo and vwo attract a public between 20 and 30 years of age. Most of these participants have a job, are directed towards obtaining a certificate and consider the training as a means for further education.

(3) **Vocational education and training, in-service training.**

Part-time vocational education and training, fully endowed by the government, will be legally based in the Law on Cursory Vocational education (Wet op het Cursorisch Beroepsonderwijs (WCBO). Aim of the WCBO is to provide elementary vocational knowledge and skills to school-leavers, employed, unemployed and employed threatened with unemployment. The educational infrastructure in which the governement has invested a lot of money (schoolbuildings, personnel) is meant to be used to carry out these activities.
The target-group for vocational education is large. Threequarter of the unemployed in 1986 only has a certificate of junior general secondary education or junior vocational training (mavo/lbo). A substantial part only has basic education. The 20 -30 years of age group is dominant.

The WCBO will incorporate the following already existing education and training instruments:
(a) Part-time senior secondary vocational education (mbo). There are the following different types of part-time senior secondary vocational education: technical training (mto), economic and administrative training (meao), service trades and health care training (mdgo) and agricultural training (mao).

(b) Dual-vocational education for adults or apprenticeship system (Leerlingwezen). This system consist of a theoretical component, so-called day-time education for young employees or in-service training (bbo), and a practical component. (See under B.)

(c) Specific vocational education (mainly at a junior level), financed by respectively the Ministries of Education and Sciences, Social Affairs and Employment, Economic Affairs and Agriculture:
- The education and training instruments financed by the Ministry of Education are: junior vocational courses (welding-courses etc.), part-time short senior

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vocational education (kmbo) and labour market oriented adult education (PBVE).
- For the training instruments of the Ministry of Social Affairs and Employment see under B.
- Retail and trade education is financed by the Ministry of Economic Affairs and the Ministry of Education and Sciences. Other financial contributions of the Ministry of Economic Affairs are additional to the education activities of the Ministries of Education and Social Affairs and to the training activities of the private sector. This implies that the Ministry of Economic Affairs bears no lasting responsability, while being prepared to stimulate innovation through temporary financial support. The importance of such innovations to the private sector must be demonstrable. Preference is given to projects that stimulate cooperation of educational institutions and private enterprises.
- Vocational education in agriculture, financed by the Ministry of Agriculture consists of part-time secondary agricultural education and seperate courses. These courses are on a second and third degree level in agriculture and market-gardening and in management. There are also courses for women.

(4) Part-time higher education and post-initial education.

(a) Part-time higher education is offered by regular universities and vocational colleges and by the Open University, which provides university as well as higher vocational courses in the form of distance teaching.
Part-time university education is created for students who are not able to attend full-time education because they are engaged otherwise.
Part-time higher vocational education is particularly focused on students with a job or with practical experience, which is relevant for the course. Part-time higher vocational education courses are therefore less accessible than fult-time courses.
Part-time higher education attracts in general participants in the age-group 25-35. Most participants have a job.
The Open University offers a second chance to people who do not have the required certificates for full-time higher education. The Open University also attracts students who already have a higher education certificate. The attractiveness of the Open University above part-time university or higher vocational education therefore is not only the open admittance but also the fact that the Open University provides education in the form of distance courses.
Most students in the Open University are between 25 and 49 years old. Only a small part is under the age of 25. Women are overrepresented in the younger age-group, men in the older age-group. A third of the students in the Open

University has a higher education certificate and two-third has a job.

(b) Post-initial education: There is also a wide variety of courses open to students who have completed a regular degree course. Universities and higher vocational colleges offer postgraduate courses and post-higher education. These two types are referred to collectively as "post-initial higher education".
Postgraduate courses and post-higher education do not differ substantially from each other in educational terms. The difference exists in the lenght of the courses: post-higher courses in general are shorter in lenght and duration than postgraduate courses, which can last for one or two years.
Post-initial courses are in general geared to specific occupations or occupational fields and impose specific admission requirements. These courses improve students prospects on the labour market or provide useful additional training.
The government has no direct responsibility for post-initial courses because funding is based on the principle that students should finance their studies themselves. Nevertheless the governement provides impetus by offering start-up grants for new courses and subsidising infrastructure, although the level of infrastructure will decrease between now and 1991.
Postgraduate courses for doctors, dentists, veterinary surgeons, pharmacists and for teachers are an exception to the rule as regards funding, the medical courses because they provide essential additional training to the regular degree courses, and the courses for teachers because of the responsibility of the Minister of Education for ensuring that secondary school teachers are trained to a sufficient standard.

(5) Other.

Beside the above mentioned education and training instruments of the Ministry of Education, there exist some other instruments which can not be divided in one of the four sectors.
Local educational institutes for adults offer various social-cultural activities like: language-courses, information services, first-aid courses etc. The objectives of these educational institutes are often emancipatory.
Local educational institutes for adults are sponsored by the Ministry of Welfare, Health and Cultural Affairs. The subsidy is allocated to the local authorities, who can allocate this money to education activities, social-cultural work and emancipationwork.

Educational programmes for radio and television are

broadcasted by the educational broadcasting corporations TELEAC, RVU and NOT. The interest in these programmes is measured by the number of orders of the corresponding material.
The Civil Servants' Training Institute organises courses for civil servants.

B. Ministry of Social Affairs.

The Dutch labour market authories have several training instruments at their disposal:
1) training for information and automation jobs;
2) a frameworkscheme on training;
3) a subsidy scheme for labour market oriented adult education;
4) a subsidy scheme for the 'dual system' (apprenticeships).
Further, labour market authorities command two separate kind of institutions for labour market training:
5) centres for labour market training;
6) and centres at a lower educational level, preparing participants for further training courses.
Finally, some new training instruments are in preparation, especially:
7) a subsidy scheme to start training activities by branches and sectors of industry.

Table 2. Labour market training: budget, number of participants and participation on average annual base, 1988.

	Budget (mln. gld)	Participants (x 1000)	Annual average (x 1000)
a. information jobs	24	7.0	3.8
b. frameworkscheme	214	49.0	34.0
c. adult education	23	19.9	14.2
d. dual system	225	45.0	45.0
e. centres for training	113	19.0	7.5
f. centres lower level	50	4.3	3.6
other training	38	-	-
	687	144.2	63.1

Source: Ministry of Social Affairs and Employment.

(1) Information and automation jobs.

Several small schemes exist in which unemployed job seekers are retrained in order to work as specialists in information technologies. These schemes are on a temporary

base. The implementation takes place in close cooperation with technologically advanced enterprises, who contribute in the costs. Most courses take half a year. As enterprises pay most of the costs, the average costs per participant is relatively low (some 6,000 gld). In the near future these schemes will end and the financial means will be supplemented to the frameworkscheme.

(2) **Frameworkscheme on training (kaderregeling scholing, KRS).**

This is the most important instrument for the training of unemployed. In general, local labour market authorities may subsidize all kind of training costs up to a certain maximum if it is an almost certainity that participants will find a job. It is up to them to conclude arrangements with enterprises and unemployed, within the boundaries of the general framework. In practice, three types of participants may be distinguished:

- training of unemployed within enterprises (costs for developing training programmes, training managers, educational appliances, in some cases even wage subsidies etc.). Enterprises are subsidized up to 100% of the training costs they make for unemployed;
- training for employees in danger of becoming unemployed. In this case, enterprises are subsidized for max. 25 - 50% only;
- subsidizing training in special educational institutes, like training centres (see under 5).

The number of participants in the frameworkscheme is increasing, partly because of administrative changes: other instruments are incorporated into this scheme (see under 1.). As many participants get a subsidy for educational appliances only, the average cost per participant is rather low (some 4,000 gld., and 6,000 gld on annual average).

(3) **Labour market oriented adult education (Primaire Beroepsgerichte Volwasseneducatie, PBVE).**

Aim of the PBVE is to provide a coherent training supply for target groups with a poor labour market position. The subsidy does not cover training costs themselves, but stimulates the development of new training prospects, supervision in looking for practical training work in enterprises etc. The training programmes are flexible and adapted to individual needs; they include both theoretical and practical elements. Aim is to organize 'educational trajectories' with a final educational level for each participant which is equivalent to that of the first stage of the apprenticeshipsystem. For each participant the Ministry of Social Affairs and Employment pays 2,000 gld. and the Ministry of Education 1,200 gld.

(4) **The dual system of apprenticeships (Bijdrageregeling Vakopleiding Jeugdigen, BVJ).**

In the early 1980s the inflow of young participants into the apprenticeship system was in danger of decreasing to a level which was considered to low by employers, trade unions and the government. At that time the main obstacle was the supply of practical training facilities by enterprises, and therefore a subsidy scheme was introduced which offered enterprises a premium for each participant in the dual system. The premium is higher when a training facility is created in a sector or branche, when participants are female in jobs in which they are a small minority or in case of ethnic minorities. The apprenticeship system generally has two levels: a lower one (two years of learning and practice) and a higher one (four years, equivalent to higher intermediate vocational training).
In general, the apprentices work four days a week and attend educational courses during the fifth day. The base subsidyof the Ministry of Social Affairs and Employment is 3,000 gld, the average subsidy some 5,000 gld. The Ministry of Education and Sciences spends money for the educational part too. Also branches of the industry, service sector etc. participate in the financing of this activity.

(5) **Centres for labour market training (Centra voor Vakopleiding van Volwassenen, CVV's).**

Local labour market authorities have close links with special training institutes. These institutes are able to offer in a flexible way all kinds of courses. The courses last from 4 to 18 months, 7 months on average, and aim especially at jobs in the metal, construction and process industries, and in administration. All training costs are paid by the labour office, on average some 13,250 gld per participant.

(6) **Centres at a lower educational level (Centra voor Beroepsoriëntatie en beroepsoefening, CBB's).**

Aim of the subsidy scheme by local governments for CBB's is to promote a supply of schooling facilities for those groups which are in a relatively underprivileged position on the labour market and for whom no other facilities exist. The courses aim at improving knowledge, skills and 'preparedness' in society. The subsidy depends on the number of realized training places with a certain maximum. Most courses consist of an orientation period of some 8 weeks and an practical period of 6-12 months. The costs are 16,500 gld on an annual base.

(7) **Training activities by branches.**

This year (1989) a new scheme will be introduced, in which industrial branches without any tradition in offering training facilities for the unemployed are invited to make plans for such facilities. When these plans are endorsed by both employers organizations and trade unions, actual implementation will be subsidized to a maximum of 10,000 gld for each unemployed participant in enterprises.

Participants

The number of participants in the arrangements above mentioned, according to different target groups, is roughly as follows.

Tabel 3. . Participants according to target groups (in %, 1988)

	unemployed	women	up to 25yrs.	minorities
apprentice-ships	-	25%	100%	2.5%
other training arrangements	85%	40%	35%	14 %
total	58%	35%	55%	10 %

Source: Ministry of Social Affairs and Employment.

To be able to appreciate these shares it is necessary to have an idea on the share of these target groups in unemployment. Some 38% of the (registered) unemployed are women (1988). This is a relatively low share, but in accordance with the low rate of participation of Dutch women in the labour force.
Young people (up to 25 years of age) are well represented in training instruments, although their share in unemployment is 32%. The overrepresentation is fully due to the 'dual system', however. The share of ethnic minorities in unemployment is difficult to measure (a lot of them actually have the Dutch nationality), but according to recent estimates it is some 10- 11%. This is much higher than the equivalent share in the labourforce. Their participation in training measures is roughly the same as in unemployment, but in the apprenticeship system very low.
In all, participation of unemployed in training measures is rather balanced. However, this is true only when one looks at all measures together. A closer inspection of all individual instruments would reveal considerable differences. For example, it is claimed that the representation of women in the most 'succesful' instruments (leading to jobs more or less immediately) is relatively lower than in the other ones.

C. Private institutions and enterprises.

Adult education is offered both by state-endowed institutions as well as by private institutions. There exist a considerable number of private and commercial institutions which offer different forms of education, training and schooling.

(1) Private institutes offer the following three types:
- correspondence courses
- non-formal oral education
- enterprise-based training

(2) Enterprises offer:
- enterprise-based training for own personel

There is some overlap between these facilities. A distinction between the supply of correspondence courses and the supply of non-formal oral education can not exactly been made, because private institutions can offer both forms. Beside that, enterprise-based training by private institutes can be offered in the form of correspondence courses or non-formal oral education.

Table 4. Participants in private education, 1986

	Participants (x 1000)
Correspondence courses	188.0
Non-formal oral education	97.0
Training by enterprises:	
- internal courses	440.0
- external courses	320.0
Training by branche institutes	100.0

Source: Central bureau of statistics

(1) Correspondence courses and non-formal oral education.

The supply of correspondence courses and non-formal education is various in subject, level and lenght.
(a) The institutions for correspondence courses offer junior and senior general secondary and pre-university courses; junior, senior and higher vocational courses; various vocational training; enterprise-based training etc.
(b) Non-formal education institutes offer for the greater part the same training activities as institutes for correspondence courses. They offer for instance commercial courses like marketing, advertising and public relations;

economic and administrative courses; computertraining; secretarial training; management training; language courses etc.
The average student at private education institutes is a man between 20 and 35 years old who has a senior or higher general or vocational education.

The Netherlands Central Bureau of Statistics (CBS) publishes annually the Statistics "Correspondence courses" and Non-formal education".
The data do not cover the total supply of private education, but relate to the private education institutes which are legally accredited by a law (Wet op de Erkende Onderwijsinstellingen). This law is applicable to private institutes (not state-endowed) who educate their students for state examinations or examinations under state control.
The data of the CBS in table 4 are based on 40 accredited institutes for correspondence courses and on 110 accredited non formal education institutes.
The total amount of private institutes offering private education can be estimated at about 700. The number of participants in private education can be estimated at more than 1 million.

(2) Training by enterprises.

There are no regular statistics on training by enterprises. To get an impression of actual participation in training programmes, one has to rely on two types of information: labour force surveys and irregular sample surveys with enterprises. Both combined give some insight into scope of and trends in training by enterprises.
Participation in training by enterprises roughly doubled in the period 1983-1986. In 1986-1988 the increase was much lower. At a certain moment in 1983, 8.1% of the working labour force participated, in 1986 16.1%. The definition of what employees consider to be 'training' is of course arbitrarily (in any case first aid courses, subsidized hobby courses etc. were excluded). However, it is encouraging to note that the share of participants in firms with facilities according to the labour survey (in May 1985 - October 1986 32.1%, that is 22% on a year basis) corresponds more or less with the share according to the CBS Enterprise Training Survey in 1986 (25%).
The 1988 labour force survey showed again a 'participation rate' on a year basis of 20.6%. This, however, means that 10.4% of all working people participate only, as some part of the enterprises have no training facilities. In these surveys, training on the job is excluded. In the Enterprise survey apprenticeships are excluded as well. Still, it is plausible that the labour force survey gives a lower figure, as employees' training in the public sector seems to be less intensive than in the private sector.

According to another study (Mulder, 1988) the intensity of on-the-job training is twice that of formal training. This source estimates that 1% of total working time is spent on formal (off-the-job) training, and 2% on on- the-job training.

In some 50% of enterprises with more than 5 employees training facilities exist. The supply of facilities, the share of active firms, the level of the participation and the average cost per participant increase with the size of the firm. Almost half of the medium-sized enterprises and almost all bigger ones have training facilities.

Table 5. Training during a year by enterprises, differences by size, 1986.

	active enterprices			
	participants employees in %	costs wage costs in %	average costs per participant in gld.	share of active enterprises
5-100 employees	10%	0.5%	2200	30%
100-500 employees	25%	1.2%	2400	83%
>500 employees	46%	2.9%	3400	94%

Source: Central Bureau of Statistics, Enterprise Survey.

In general, men participate somewhat more than women. Partly this is due to the sector and size of enterprises in which women work.

Table 6. Participation at one specific moment in training by enterprises, men and women. (in % of all employees)

	Men			Women		
	1982	1985	1986	1982	1985	1986
facilities exist	52.8	53.0	50.5	43.5	50.7	47.5
participation		13.9	16.8		10.4	14.6
participation if facilities exist		26.2	33.3		20.5	30.8

Source: Organization of Strategic Labour Market Research (OSA), labour force surveys.

As Table 6 shows, in 1986 for example 50.5% of men worked in

enterprises in which training facilities existed; 16,8% participated in training, that means 33.3% took part in some kind of training of those in 'active' firms. In 1988 the share of 'active' firms increased slightly from 48.3 to 50.6%.

Participation increases with the initial level of education of employees. This is the case with <u>all</u> kinds of adult education. In order to investigate to which extent enterprises bias the supply of facilities more than workers do themselves, a comparison was made between these participation rates.
The most significant difference is at the junior secondary level of general and vocational education. This is probably caused by the fact that relatively many of these school-leavers did not receive a certificate and qualify themselves as yet in part-time education.

Table 7. Participation at one specific moment in training after initial education.

	Training by enterprises 1)		All courses 2)
	1985	1986	May 1985-Oct. 1986
Primary education	0.0	4.3	5.0
General and vocational (junior sec.)	9.1	12.2	13.8
General and vocational (senior sec.)	12.8	19.1	26.9
Vocational colleges	17.5	23.7	))22.8
University	12.2	17.0	)

1) employed.
2) employed and unemployed.
Source: OSA, labour force surveys.

Unfortunately, the answers on the 1988 OSA labour force survey regarding training at one specific moment are not comparable with those of earlier surveys. The questions on participation in training in the preceding year are, however. This participation seems to be very stable in the most recent period.

Table 8. Participation in 12 months before survey was held: all working people (1).

	1986	1988
Primary education	11.9	11.5
General and vocational (junior sec.)	18.0	18.2
General and vocational (senior sec.)	26.7	25.3
Vocational colleges and university	25.3	23.2

(1) actually participation during last two years was asked for; the answers have been halved which may cause a bias.
Source OSA, labour force surveys.

During one year, a quarter of the highly educated workers and employees take part in enterprise training courses, but only one tenth of those with primary education. Post-initial training tends to increase already existing differences.

Participation reaches a peak at the age of 25 - 29 years (see Table 5). Looking at the employees in 'active' firms only, the peak is to be found at the 20 - 24 age. Up to the age of 49, participations drops gradually, thereafter it decreases quickly. Although these figures again are difficult to compare with those of 1986, one gets the impression that the underrepresentation of middle-aged workers became somewhat less outspoken.
For a closer look concerning participation see Appendix II.

Table 9. Participation in training 12 months before survey, 1988.

age	Training facilities in firm available	Chance to participate if facilities exist (1))	Participation rate (2))
20-24 yrs	43.3 %	26.5 %	11.5 %
25-29	54.0	25.2	13.6
30-34	52.7	22.2	11.7
35-39	52.0	21.4	11.1
40-44	55.9	19.2	10.7
45-49	51.0	17.9	9.1
over 50 yrs	46.7	11.2	5.2
all	50.6	20.6	10.4

(1)) in the survey participation during last 2 years was asked; this has been halved, which might give some bias.
(2)) facilities available x chance to participate.
Source: OSA

The Enterprise Survey 1988 (CBS) gives information about training by enterprises in different branches. As table 10 shows, there exist considerable differences between industrial sectors.

Table 10. Training by enterprises different branches, 1986.(1)

	number of participants x 1000	participants/ employees	costs (mln.)	costs/ wage costs	average cost per participant
Industry	267	0.31	779	1.6	2900
Public utilities	14	0.31	48	1.8	3400
Construction	21	0.08	45	0.3	2200
Trade, hotels, restaurants	72	0.12	201	0.8	2800
Transport, communication	97	0.32	482	2.7	5000
Bank, insur., busin. serv.	218	0.45	573	2.3	2600
Public services(2))	72	0.17	160	-	2200
Total(3)	762	0.25	2292	1.5	3000

(1) Data from active firms. Employees having participated in more than one course, are counted for the number of courses.
(2) Social services; exclusive education and health service.
(3) Of the sectors above and active firms only.
Source: CBS, Enterprise survey

Industry and business services have the largest numbers of participants. Industry spends most, followed bij business services and transport. The average cost per participant in transport and communication is rather high. Probably the most interesting feature is training costs (incl. wages of the trainees) divided by (gross) wage costs. This indicates which part of the wage sum is spent on training (excl. on-the-job training and apprentices). This figure is rather high in capital intensive service sectors, but relatively low in trade and construction.
For more details see Appendix III.

(3) Type of training by firms: decision making

In 1986 a survey was organized concerning 113 enterprises, in order to get more information on decision making patterns with respect to training (Mulder, 1988). In this survey big firms are overrepresented: 72% of the respondents have more than 500 employees; the representation of different branches is in balance. Some 70% of enterprises with more than 1000 employees have a separate training department; 20% of enterprises with 500-1000 employees and about 10% of enterprises with 100-500 employees. These differences are not amazing, of course.
Most important factors to organize training are according to the survey: 'improving the capability to anticipate external changes' (75% consider this to be important or very important) and 'improvement of organizational efficiency and effectiveness' (71%). Almost all respondents have to deal with major organizational-technological changes. Main cause for these are quality control, control and utilization of production capacity, and improvement of the cost-benefit ratio. Factors directly linked with the labour market (turnover rate, illness, occupational accidents etc.) are considered to be less important in these firms.

Table 11. reveals which categories of mangement who are considered to have very much (5) or no (1) influence on several aspects of training in these 113 enterprises.

Table 11. Influence on aspects of training by types of management.

	Organization of training	aims of training	participants	supply of courses
board of directors	3.1	3.9	3.7	3.3
personnel managements	3.1	3.3	3.6	3.3
training specialists	4.4	4.2	3.6	4.3
job specialists	2.6	3.6	3.5	3.5

Source: Mulder, 31.

Training managers have a relatively significant influence on organization and control of training. Interesting too is that their influence is fairly equilibrated with regard to different aspects of training. Directors or general management influence especially training aims, but less than training management themselves, however. Staff managers of personnel sectors and job specialists have a relatively minor position. Finally it can be noted that the influence of training managers tends to increase together with the size of the firms; in enterprises of more than 1000 employees their influence on training supply is considered to be determining.

Supply of training

Somewhat more than half of participants in enterprise training attend enterprise courses 'in a narrow sense', that means courses which are permitted for their employees only (it is these which have been examined more closely in a foregoing section). The other 42% attend enterprise courses 'in a broader sense' which means they are permitted for other participants too, but financed at least partly by the enterprise. The share of this first type, the 'in-house courses' increases with the size of enterprise.

Table 12. Type of enterprise course, 1986.

	internal	external,	of which:		
			public education institute	branche institute	other private
5-100 employees	33	67	7	31	29
100-500 "	54	46	6	14	26
> 500 "	66	34	4	8	22
all	58	42	5	13	24

Source: CBS, Enterprise Survey.

The share of regular public educational institutes in enterprise training is very small, only 5%. It is somewhat bigger in 'other services' (which are mainly public sector services) and industry. Branche institutes take a somewhat bigger share, 13%, which is even more important in construction (35%). Here we see a very clear decrease with increasing size: an example of 'internalization' of 'external effects'. Private training institutes are especially important in industry (30% of all participants) and banking (25%).

Training by branche institutes is an interesting feature of the Dutch training market.
Enterprises who participate in a collective bargaining agreement in which arrangements have been made on training, have to pay a certain percentage into a joint fund. This fund is controlled by both employers organizations and trade unions. The fund, or a foundation linked with it, publishes a catalogue of 'accepted courses'. When an employee takes part in one of these courses, the employer receives a compensation for each training day, up to the maximum agreed collectively.
See also Appendix IV.

Section III. Financing of further education and training arrangements.

D. Financing of further education.

(1) The policy of the governement concerning adult education is intended to create an open system of education and training. This implies that the state-endowed education institutions will exploit their knowledge, personnel and infrastructure for the benefit of adult education.
This also implies that the system can be financied by others than the governement. State-endowed institutions are permitted therefore to offer training to the private sector, to social organisations and to individuals on a cost-effective or self-supporting basis. This is called contract-training.

The funding of the state subsidized adult education differs from sector to sector. However, the financing-flows do not run parallel with the division of the adult education in the sectors mentioned in section II and in Appendix I.
The fact is that many education and training activities are more or less funded by several ministries or by several departments. This implies that it is not possibly to give a complete and consistent financial overvieuw. The data in Appendix I. therefore are to be judged carefully.
The financial arrangements with regard to the training measures of the Ministry of Social Affairs and Employment for example, are very complex. This is due to the involvement of a lot of different autorities and organisations, as there are the private sector and labourorganisations.

(2) The state funding of the basic education and its infrastructure is the responsability of the Ministry of Education and Sciences. The available subsidy is divided over the local authorities on the base of three standards: the number of adults in the municipality, the number of adult etnic minorities and the training level of the inhabitants.

Part-time general and vocational education is funded by the Ministry of Education and Sciences. The subsidy covers the costs of personnel and other operating costs. The training is given in existing education buildings which are used for full-time education. The student pays a fee which comes to 10 to 15% of the costs. The governement provides a grant for students who can not afford the fee.

Vocational adult education has direct importance for the labour market and is therefore a responsability of the state and the social partners.
To realize this principle the Law on Cursory vocational education (WCBO) and the new law regarding the labour market policy will be connected. Within the framework of the latter, a tripartite national board (Centraal Bestuur Arbeidsvoorziening) and tripartite regional boards will be formed in order to link the supply of educational activities and the demand for educational activities on the regional labour market. The national governing board will get the disposal of the subsidy of the Ministry of Social Affairs and will have a say in the appropriation of (a part of) the subsidy earmarked for vocational adult education of the Ministries of Education and Sciences, Economic Affairs and of Agriculture.
The governing body will draw up a policy plan in which the demand for training is defined. This plan will be translated to regional plans. The training activities will be carried out by either state-endowed institutions or by private institutions. These institutions will form a regional education management.
The governing body is composed of representatives of the state governement, the employers' organizations and the trade unions. In the regional boards the regional social partners and cooperating municipalities will be represented.

Part-time higher education is funded by the Ministry of Education and Sciences on the basis of budgeting models for respectively higher vocational education and university education. These models are based on the number of students. Students in part-time higher education pay an annual fee. Students who can not afford the fee can make an appeal to a state grant.
The Open University is subsidized by the Ministry of Education and Sciences. This subsidy is independent of the number of students. This is caused, among other things, by the fact that the Open University supervises the students by means of distance teaching which implies a smaller teaching staff but a larger and different supply of teaching materials than is the case in regular universities.
Students by the Open University pay a tuition fee for each course they take.

(3) Factual financial information about enterprise-based training and private education is not available. The Central bureau of Statistics estimates that in 1986 about 2.3 billion guilders (including the loss of working hours) has been spend on enterprise-based training (Statistics on Company Training in the Netherlands). The costs as percentage of the labour costs amounts to 1.5%. On-the-job training and the apprenticeshipsystem are excluded in the statistic.

There is divergence in the tuition fees participants have to pay in training activities of private institutions.
There are several ways for these participants to get an subsidy of the governement: 1. Some training courses are tax-deductible; 2. Some private training courses are qualified for study grants; 3. An unemployed or employed threatened with unemployment can get a grant of the Ministry of Social Affairs; 4. Social services can supplement the unemployment benefit.

Section IV. The market for further education and training, the trends to be expected and the factors which influence provision and participation.

E. The market for further education.

(1) The development of participation in adult education may be described by means of "time-spending" surveys in the period 1975-1980-1985-1988 (Social-Cultural Planningoffice). In 1985 17.4% of the Dutch population aged 16 and over, participated in adult education. In 1988 the percentage was 15.1% (16.3% men and 14.0% women). In terms of the total Dutch population this means that in 1988 about 2 million persons followed in total 2.4 million training activities or courses. About three-quarter of the training activities took place by private education institutes.

In the period 1975-1980 the participation rate in all forms of adult education increased; from 1980 on the rate decreased somewhat. During the whole period 1975-1988 enterprise-based training showed a remarkable increase.
A closer look at the participants shows the following: In 1975 more female than male participants participate in adult education, in 1980 the participation of both sex is almost equal and in 1985 the number of male participants exceeds the number of female participants. Other features are the growing participation of persons aged 16 to 24 and the fact that the majority of the participants has a job. It also occurs that higher educated persons are overrepresented.

(2) The market for adult education consist of a various supply of teaching activities by state-endowed and private education institutes.
Private education is almost exclusively intended to distance teaching, short-time training and specialist education for adults. State-endowed education is primary aimed at initial education, but is aiming lately in an increasing extent to post-initial education for adults.
This implies that the public and private education institutes are moving towards each other and that there is a growing competition between them.

(3) The present government policy with regard to adult education aims at accomplishing coherence between the different types of adult education. Target of this policy is to involve the employers' organisations and the trade unions in adult education. Another target of the governement is to withdraw on the managerial level. This is done by attributing more 'self-government' to state-endowed

education institutes and by moving a part of the financial responsability to the local authorities.
This policy implies that state-endowed education institutes can offer teaching activities under their own responsability in competition with private education institutes.
Examples of the recent governement policy are (a) contact-education and (b) the new labour market policy.

(a) Contract-education is education by state-endowed institutes on behalf of enterprises and social organisations. The idea of contract-education is that the training is financed by others than the state.
The interest of contract-education for state-endowed institutes is evident: their labour market orientation is increasing and there is a possibility to earn extra money.
Contract-education, however, is not very common. The market-share of state-endowed instututes on the entire adult education market is small. It is estimated that the share is only 2%.
This is partly caused by the fact that de state-endowed institutes are faced with difficulties on the education market. Some of the problems are the lack of personnel to carry out the contract-activity, the lack of flexiblity and the lack of financial means.
Another difficulty is that enterprises often are unknown of the opportunities state-endowed institutes can offer.

(b) The other example of a more market-oriented approach of vocational education for adults is the new law on labour market policy (Arbeidsvoorzieningenwet). The responsability on the managerial and financial level is spread over the government, the employers' organisations and the trade unions. The vocational training activities can be carried out by state-endowed or by private education institutes. This is decided on the basis of price, quality and delivery time.

F. Trends in training for the unemployed and employed.

This section considers:
- the actual qualifications of unemployed, as proxied by type and level of education, compared with educational profiles of both employment and job vacancies;
- supply and demand trends regarding to type and level of education;
- point of views on labour market training for the unemployed of trade unions, employers organizations and the government.

These three aspects, in combination with the actual state of training for the unemployed lead to some expectations on this type of training in the near future.

(1) Training for the unemployed

Generally speaking, the unemployed are less qualified than the labour force or working people. Important differences on this general rule exist, however.

Table 13. Level of education: working people, unemployed, job vacancies (share of total in %)

	employment 1985	labour force 1985	unemployment registration 1988	job vacancies 1988
Primary education	14	30	39	15
junior secondary	28	36	32	30
senior secondary	40	25	17	34
Vocational colleges	13	6	7.5	16
University	5	2	3.5	5

Source: CBS (labour force survey, vacancies), Ministry of Social Affairs and Employment (registration figures).

The shares of different educational levels in unemployment as revealed by the labour force survey and registration figures are not the same. The labour force survey finds less primary educated unempolyed and highest educated unemployed, and more unemployed with medium skills. This is partly due to the 1985-1988 developments in which especially the unemployment of university graduates increased relatively fast. However, it is should be noted that many women with general medium skills probably are searching for work without being registrated.

Comparison of unemployment, employment and vacancies shows that:
- the position of primary educated is worst and of vocational college graduates best;
- up to the level of senior secondary training the level of education determines the chance to find work; at a higher level the type and direction of education is more important than the level only.

The Central Planning Bureau (CPB) made a forecast of labour market supply and demand trends to the year 2000. These forecasts are very rough estimates only, they are results of (although sophisticated) trend regressions and not based on an economic model. The CPB expects that the supply of the labour force of a primary educational level will decrease from 16% of total supply in 1985 to 11% in 2000, against a demand share from 14 to 8%. This results in a

massive supply surplus of this group of about half of the total surplus in the year 2000. Without additional policy measures the relative position of primary educated trends to deteriorate. Three other groups are expected to be confronted with an ongoing deterioration of their labour market situation: junior vocational graduates, general higher intermediate graduates and university graduates in studies which are less interesting from a labour market point of view.

Table 14. Computed labour surplus according to level and direction of education (share of all unemployed).

	1985	2000
Primary	30	44
junior vocational	36	31
senior general secondary	7	18
University, social studies	6	21
Others	21	-14*

* this means that shortages will emerge
Source: Central Planning Bureau.

As said, these are estimates only, but still they give an indication of the importance of educational skills.
The other side of the coin, of course, is the increasing occurence of job skill shortages. It is expected that they will occurr especially at technical vocational higher intermediate, and administrative vocational college levels.

Responsibilities

Of course, these possible tendencies do not imply once and for all that more education and training will result in a decline of unemployment or in diminishing shortages. As known, these surpluses and shortages are caused by many factors, as relative wage levels, crowding out, inadequate information, and traditional sexe roles when chosing jobs. These caveats are acknowledged in the public discussion in the Netherlands. Training can only be effective if built in a set of policy measures. This being said, much emphasis is laid on future labour market policy, as wished by both sides of industry and the Netherlands government. This has been confirmed in de Joint Industrial Labour Council in 1986 and 1987 (Stichting van de Arbeid).

The social partners take roughly the following position:
- in principle training for the unemployed is a financial responsibility for the government. As training is useless without any idea of trends in future work, the supply of training facilities (as financed by government) is in principle a joint responsibility. Social partners will try to improve information on trends in job demand, and they acknowledge a joint task with government in searching for adequate types of training;
- the share of the unemployed attending training courses is relatively low and has to be increased;
- the incentive system for unemployed to attend courses has to be improved. At this moment, no immediate negative or positive incentives for unemployed to participate in training programmes exists in practice.

The government up to now has no clear position on training for the unemployed in the long run. The need to link training with unemployment prospects is emphasized.

(2) **Training for the employed.**

Training managers of bigger enterprises expect increasing attention for training in the near future. In a sample (of 112 representative bigger enterprises) they could rank statements on a scale from 1 (unimportant) to 5 (very important).
In table 15 the average ranking is printed.

Table 15. Trends in training by enterprises.

	average score
Organization: budget	
Professionalisation of training	4.2
Training will become policy	4.1
Budget will increase	4.0
Changing requirements of function and qualification	
Because of: changing technology	3.8
changing markets	3.5
changing organisation	3.5
Reason why intensity of training increases	
Specific skills needed	4.0
Changing requirements of function	3.8
Insufficient link education-labour	3.8
Increase market of productivity	3.4
Need of higher educated employees	3.4
Which type of training will increase	
Management	3.7
Automation	3.6
Research and development	3.0
Commercial skills	2.9
Which kind of participants will increase	
Management	4.0
Supporting workers	3.8
Staff members	3.7
Production workers	3.7

Source: Mulder c.s.

Almost all training managers expect that training will get integrated in company policy, that training will professionalize and that training budgets will increase. It is not expected that public subsidies will increase or that collective agreements will result in training agreements. This contrasts with the aim of trade unions, by the way. Most important reason to intensify training is technological development. Here, one sees differences between sectors. Changes in markets and organisation are mentioned relatively much in service branches. It is interesting to note that training has more to do with changing qualification requirements than with rising qualification requirements as such. Training aims at improving very specific skills. One expects an increase of automation and management training; it is striking that training in commercial skills, which increased rather much in the past, is not expected to increase that quickly in the near future. Training management expects an increased participation of all kind of employees.

Responsibilities

Both employers organizations and labourunions have a clear position on responsibilities for training of the employed. Both sides differentiate between training for the employed who are threatened with unemployment; for the employed active within the apprenticeship system; and for the employed who have to participate in training because of changing conditions within enterprises, or education with a view of full development of personal faculties.
At a most general level it is stated that training for the employed is a responsibility of the privatr sector. At the same time it is acknowledged that situations are thinkable in which governement policy is desirable. These situations are those in which external effects are significant, Further, it is expected that the government will stay responsible for a qualitatively sufficient supply of education and training.

For the employed threatened with unemployment a dual responsibility is acknowledged. The private sector is primary responsible but when the threat is due to a difficult situation in, for example, a whole branche, some governmental help might be very useful and effective. This is especially the case as it is felt that re-training of the still-working might be more effective than waiting until somebody has become a (long-term) unemployed and offering him or her a training at that moment only.
Besides that situation, training is considered to be an investment in human capital, to which both employers and employees contribute and take the revenues. The share of costs and revenues is a labour conditions affair and is considered to depend on the degree in which training is of a more general character or relatively firm specific character. As training in enterprises has a more general character, it is supposed to stimulate not only internal flexibility (viz. within enterprises), but external flexibility and mobility as well.

Because of possible external effects - especially in the case of more general training - government has to take a stimulating role in the training market. This role is not only expected from the government as supplier of educational facilities, but also within a framework of technology policy. At the same time, social partners acknowledge that external effects are a necessary but no sufficient condition for governmental help. It might be possible, for example, that a branche of industry takes its responsibility in such cases. There is a role for the government in those sectors in which no training traditions or no 'infrastructure' exists at all. This is especially the case in branches dominated by small enterprises. With respect to these issues the governement policy is roughly the same. The link between diffusion of new technologies

and training on the one hand, and between (the quality of) training of employees and the unemployed on the other hand is underlined. Further, the government stimulates experiments of training for employees in combination with that of unemployed (first, unemployed are trained and then they take the jobs of the employee during their absence).

G. Factors which influence provision and participation.

(1) Adult education received a lot of political attention the last few years. According to the Social-Cultural Planningoffice, three periods can be distinguished in the supply of adult education financed by the state.
In the first period, the sixties until mid seventies, training of adults was directed particularly to persons who wanted to improve their social and economic position by means of part-time general or vocational education or part-time higher education.
In the second period, mid seventies - begin eighties, adult education is seen as a second-chance provision. Teaching activities are especially aimed at people with educational disadvantages.
In the third period, from the mid eighties on, the attention is focused on the economic function of adult education. Demand and supply of adult education is influenced by the extensive unemployment and the technological and organizational developments in the private sector. The importance of vocational education is emphasized.
The austerity policy of the governement in the eighties appeals to efficiency in the education sektor. Market-orientation and privatization are stimulated.

(2) The economic function of adult education is stressed in the eighties because of demografic, technological and social-cultural developments. These developments cause a continious and increasing demand for education and training of the working population. Employers will stimulate their employees increasingly to further education and training.
This is not only done in the private sector but also in the public sector. This is shown in this and next paragraph, one concerning the public sector and one concerning the private sektor.

The government as employer is responsable of the further education and training of civil servants.
One of the measures the governement has taken to train civil servants is the creation in 1988 of a "Labour market and Training Fund" (A+O-fonds). The fund is intended for education and training activities by ministries, provincial and local authorities, the military and police

organizations.
The aims of the A+O-fund are twofold:
First, the sponsoring of additional training of civil servants and persons in search of empolyment.
Second, the organization of training activities aimed at increasing the knowledge and skills of civil servants and persons in search of employment in the civil service. For this purpose the existing educational infrastructure will be used.
The fund amounts in 1988 to 45 million gld (including 15 million for the extension of the apprenticeship in the civil service).

(4) In recent years the private sector has shown increasing interest in vocational adult education. This is due to the following developments:
a. The speeding up of the rate of technological innovation combined with increased competition and internationalisation of large enterprises;
b. The problems relating to the transition from school to work, in particular for the large number of school-leavers without any vocational qualification;
c. The demografic development which causes a decreasing inflow of young qualified workers.
To meet these challenges, the private sector so far has taken two measures: (a) agreements with regard to training activities in collective labour agreements; (b) the creation of "Training funds" (O&O-fondsen).

(a) Specific training measures for employees were laid down in 54 of the 84 collective labour agreements, applying in 1987. These are collective labour agreements which are applicable to 5000 or more employees. In 1989 arrangements on training (apprenticeship and work experience supplied to unemployed included) have been made in 64 out of the 94 important collective labour agreements. They relate to 87% of the employees working under a collective labour agreement. Especially the number of sectoral training funds increased: from 17 to 29 in two years. The increase is relevant for 20% of all employees. The only sector in which no agreements on training have been made at this moment, are retail trade and the sector dealing with care for the elderly.
In the regular consultations between employers and employees, there has been paid attention to the position of long-term unemployed, etnic minorities and re-engaging women. However, this has not yet resulted in a rise of agreements concerning these groups.

(b) At a national level a training and development trend has been established (a so-called O&O fund), in which employers and unions have equal representation. An example is the O&O-fund of the important metal and electrical

engineering sector. This fund is responsible for day-to-day management and carrying out of training policies. It is financed from 0.9% of the wage sum in this sector, of which 0.5% are allocated to the apprenticeship system, 0.2% to so-called "practical training jobs" (which have a lower educational level than apprenticeships and have been introduced as an instrument in combatting youth unemployment) and 0.2% to retraining and further training of employees. The implementation of training policy takes place at regional level, where 17 jointly run (employers and unions) foundations have been installed. In four of them retraining catalogues have been completed, in which information is published on courses organized by (bigger) firms or specialized private institutes. These catalogues, however, yet do not have any quality mark. A discussion on which criteria are relevant in this respect hardly did start. When employees participate in a course, this is subsidered to a maximum of two days. Most of these regional foundations mainly have a intermediary position - the confrontation of demand and supply in a real training market. Others, however, try to participate in this market themselves. This is the case especially when the regional foundation has a "sectoral training institute" (founded within the framework of the apprenticeship system) at its disposal.

H. Information on further education and training.

(1) Information on education and training activities for adults is offered in various ways.
All state-endowed and private education institutes publish brochures and guides in which the training activities are listed. Besides this, there are other authorities (for example the Employment Exchange) who offer information in brochures.
Because of the increase in demand and supply of training activities, there is an urgent need for an inventory. This is also necessary in order to bring the demand and supply together.
In this paragraph three initiatives will be discussed as examples of making up an inventory.

(a) The organisation for Documentation and Information of enterprise-based training (CEDEO), founded in 1980, is aimed at improving the relationship between demand and supply of enterprise-based training.
Enterprise-based training is defined by CEDEO as training activities intended for more than one enterprise, offered by private institutes and with some kind of "quality mark".
Training by enterprises for their own personnel and regular full-time education acivities are not covered by the CEDEO

definition, although some parts of post-initial higher education and some forms of contract-education are included in the CEDEO-inventory.
CEDEO publishes a documentation in which about 4000 training activities are offered by more than 300 private education institutes. The documentation gives information about subject, duration, price, level etc. of the training activities. CEDEO has this information also available by means of an on-line databank.

(b) Another initiative is the databank Knowledge=Market (Kennis=Markt). This databank is an initiative of the Ministry of Economic Affairs and the Province of Noord-Brabant. The databank is managed by provincial centres "Education-Labour" (Contactcentra Onderwijs-Arbeidsmarkt) and is also available in schools, local organizations etc.
The databank contains the supply of enterprise-based training activities offered by state-endowed and private education institutes. Beside national information, the provincial databank also offers information which is relevant for the region.
Every education institutes is accepted in the databank on payment of an amount. A "quality-mark" is not necessary. The databank is updated twice a year.

(c) The third initiative, which is still in development, is organized by the Ministry of Social Affairs and Employment. The Informationcentre Profession and Training (IBO) collects enterprise-based and vocational training activities offered by private as well as state-endowed education institutes.

Appendix I.

PARTICIPATION IN ADULT EDUCATION

		Actors	Budget x mln	year	Participants	year
1.	Basic education	O&W	139	1988	55000	1986
2.	Part-time general secondary ed.	O&W	186	1988		1986
	-junior general secondary educ.				62000	
	-senior general secondary educ.				23500	
	-pre-university education				15000	
3.	Vocational education	O&W, SZW EZ, L&V				
	Junior and senior secondary vocational education#	O&W		1988		1986
	-part-time meao				23000	
	-part-time mto		38		7400	
	-part-time mdgo				10500	
	-courses tecnical training				1700	
	-courses service trades and health care training				10000	
	-short courses lbo + mbo				6200	
	-in-service training				157500	
	-retail and trade courses	O&W, EZ			23000	
	-Labour market oriented adult education PBVE (courses for young unemployed)	O&W, SZW	14.2	1987	15000	1987
	Labour market programmes			1987		1987
	-training for information and automation jobs:					
	-ACSI		7.8		900	
	-IIG		6		500	
	-PION		10		1000	
	-NIIO	SZW, EZ	2.4		3200	
	-training for women VVS		5.6		700	
	-Centre at a lower educational level CBB		39.4		3200	
	-Centre for labour market training CVV		65.8		11900	
	-Framework training scheme KRS		210		43000	
	-The dual system, of apprenticeships BVJ	SZW, O&W	206.3		41300	
	Arrangements ministry of Economic Affairs	EZ	250	1988		

	Agricultural education	L&V			1987
	-part-time mao//			300	
	-agricultural apprenticeship			8200	
	-senior agricultural training			7600	
	-junior agricultural training			7400	
	-other agricultural courses			1890	
	Other				1986
	-residential adult education		2.7 1988	107000	
	-tv-colleges			171000	
	-civil servants' training institute			4000	
5.	Part-time higher education and post-initial higher education	O&W			1987
	-part-time university education			11000	
	-part-time higher vocational ed.			50000	
	-Open university			30000	
	-postgraduate courses for teachers			1200	
	-post higher vocational education			4000	
	-postgraduate courses	O&W, EZ	25	2600	
	-post higher education		3.6 1986	40000	
	-courses for teachers		70 1987	80000	
6.	Private institutions				1986
	-correspondence courses			188000	
	-non-formal oral education			97000	
	-training by enterprises		2300	440000	
	external courses			320000	
	-training by branche institutes			100000	

// meao = senior secondary vocational economic and administrative training
mao = senior secondary vocational agricultural training
mto = senior secondary vocational technical training
mdgo = senior secondary vocational service trades and health care training
lbo = junior secondary vocational education
mbo = senior secondary vocational training

Appendix II.

A CLOSER LOOK

Recently, a very detailed survey on participation in 1985 at a part of training by enterprises (viz. the courses organized by enterprises themselves) revealed interesting features (SEO, 1989). It turned out that enterprise training is organized almost exclusively for employees working (more or less) full-time. Employees working less than 25 hour per week did hardly participate. When looking at the participants out of the full-time employees group, the division between men and women is well-balanced. Some 80 per cent of the participants are 35 years of age or younger (their share in the labour force is about 50 per cent).
These features deserve a closer inspection. This is possible by means of a so-called logit analysis; a logit analysis is a regression model in which the variables to be explained have only two values: one participates in training, or one does not. The analysis refers to employees in the year 1985 and is related to a sample at one moment of that year (that means not a yearly average).

Table 16. Some regression results for a logit model (significant t-values only) (1)

age and education	
age	- -
education	+
sex	
married women	- -
single women	-
Foreign nationality	- -
working time per week	+
size of enterprise	
> 100 employees	+ +
Educational direction (compared with 'general'):	
socio-cultural	- -
medical	- -

(1) - - regression <-0,5; - between - 0,5 and 0; etc.
Source: Teulings, p.6.

Younger people have a bigger chance to participate in (internal, viz. organized by firms themselves) enterprise training than younger ones. However, the difference is much less for university graduates than for lower educated workers. The chance to be trained decreases with some 83% from 15 to 65 years for university graduates, and with some 94% for unskilled workers.

No significant differences exist between males with different family status to be trained or not. For women the picture is different. Their chance to participate is systematically lower. The opportunity for married women is even 56% lower than for married men. Probably employers expect that married women stop working after giving birth to children -this is indeed often the case in the Netherlands.

Foreigners -especially ethnic minorities- have 60% less opportunity to participate in training than Dutchmen with the same labour market characteristics.

People working full-time have greater opportunity than part-time workers: the difference is especially large between 20 and 30 hours a week (30% less opportunity), more than between 30 and 40 hours (15% less opportunity).

The difference in educational direction is difficult to interprete. Employees who finished general and technical education have the highest opportunity to participate in training by firms; the causes in these two cases might be different (resp. a need for direct post-educational training, and later training to cope with technological changes).

Appendix III.

Table 17. Some basic data of training in different branches.

Tabel 17. Training by enterprises, basic data, 1986. (1)

	Employees (x 1000)	of which: participants all	male	female (%)	Apprenticeships(1987) (%)
Agriculture	66.8	2	2	2	10
Industry, of which:	883.2	31			6
Foodstuffs & beverages	151.4	19	22	8	1
Electrotechnical	118.6	45	46	34	
Chemical and oil	105.6	79	81	32	
Metalproducts	85.8	10	10	10	7
Engineering	87.9	21	21	23	
Transport industry	63.9	27	28	14	
Public utilities	45.6	31	32	27	
Construction	300.2	8			3
Trade,hotel,restaurants and repairs, of which:	763.9	12			3
Retail trade	354.5	6	8	5	2
Wholesale trade	275.2	15	16	11	
Hotels, restaurants, catering	83.4	4	5	4	5
Repairs	50.8	9	10	2	8
Transport, storage, communication, of which:	319.9	32			1
Road transport	108.6	11	11	7	1
Post and communication	96.0	38			
Rail and air transport	48.3	80			
Banking, insurance, business services	382	45			1
banking	114.5	64	74	53	
Insurance	56.6	75	90	44	
Business services	178.2	31	35	22	
Other private services	146.7	6	7	5	
Other public services	366.4	17			
Social work	230.7	17	20	16	

(1) Data from active firms.
Source: CBS Enterprise Survey, Ministry of Social Affairs

Although in almost all branches men participate relatively more than women (see also Table 8), the difference is not the same everywhere. Compared with other types of training, the number of apprenticeships is lower, except in agriculture and catering. One has to remind that an apprenticeship lasts for one year continuously at least, whereas other types of training imply shorter periods of absence.

Appendix IV.

STATISTICAL ANALYSIS

We looked for several indicators which could explain the differences in training activity by industrial sectors. In our view six factors might explain these differences.

- diffusion of new technologies (proxied by the share of highly skilled employees - higher vocational and university - and share of automation personnel);
- capital intensity (proxied by the relation between investment and value added);
- the wage and profit share;
- the relative position of small and medium-sized enterprises (SMEs). When SMEs dominate a sector, this might lead to a prisoners dilemma, as all of them will fear that competitors are going to 'buy' well-trained employees;
- possible 'disconnections' between education and labour market will be manifest especially with young workers - therefore we looked at the share of young employees;
- the share of unskilled employees; probably these people are considered to be 'untrainable' by firms, or branches in which many uneducated employees work are completely uninterested in training.

We had the disposal of data from 40 branches all over the private economy in 1986 (compare also Table 8). The share of trainees in sectoral employment was regressed with (a) the share of SMEs in each sector, (b) diffusion of automation technology, as revealed by the share of automation personnel and 'active users' in each sector, (c) the share of employees without any vocational or general qualification, (d) the share of young employees, (e) investment divided by value added, (f) the share of higher vocational and university employees, (g) annual growth of employment with several lags, (h) the profit share and (i) a dummy for mining which turned out to be excessively training intensive.
The following regression fitted best:

$$\underset{}{\text{training}} = \underset{}{30.7} - \underset{(13.2)}{0.034\,a} + \underset{(0.009)}{0.33\,b} - \underset{(0.087)}{0.49\,c} + \underset{(0.31)}{0.42\,e} + \underset{(0.24)}{93.2\,i} \qquad (14.8)$$

in which $R^2 = 0.80$ and standard errors in parentheses

Average employment growth of the preceding four years, the share of young employees and of higher vocational and university employees had the expected, positive, sign but were insignificant. The profit share had a negative sign, but was insignificant as well.

This means that some 80% of all differences between sectors can be 'explained' with four variables, taking into account the special position of mining. Looking at the residuals, one may observe a relative high training intensity in comparison with the 'compiled one' in steel industry, rail and air transport (possibly because these branches are combined in our dataset) and insurance, whereas the actual expenditure in agriculture, printing industry, retail trade, shipping and business services is relatively low.

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